

Helpful Hints for Filing your GST/HST, PST and QST Tax Refund Claim

Once you receive your Diplomatic Identity Card (tax-exempt card) from Human Resources, you may begin claiming your GST/HST from the Government of Canada, PST from the Provinces of Ontario, Alberta, British Columbia, Manitoba, and Nova Scotia and QST from the Province of Quebec.

It is recommended that you submit a refund claim for GST and PST simultaneously. Use original receipts when filing for GST refund and copies for the PST refund. Once you receive the stamped receipts/invoices back, you may submit your QST refund claim. If you live in the Province of Quebec you may file both GST and QST together.

GST (.05660 or 6%)

GETTING ORGANIZED -Filing a GST refund claim

Step 1 -Keep all original receipts/invoices that have GST listed or receipts/invoices that have GST included in total but not printed on receipt/invoice, in one location.

Step 2 -DFAIT card holders must file separately (i.e., spouses cannot file jointly). This is only a problem when the DFAIT card is used to remove the PST at point of sale. It is recommended that individuals maintain receipts in separate locations.

Step 3 -For receipts/invoices that have the GST included in the total but not listed separately, first you need to deduct the PST (1-12%) amount if applicable then enter the total in Table 1. Also, write the GST (.05660 or 6%) and PST (1-12%) amounts on the receipt/invoice.

- a. GST included in total but not printed on receipt/invoice - use Table 1
- b. GST listed on receipt/invoice or business has combined GST and PST - use Table 2

Step 4 -Tape your small receipts/invoices to 8 ½ x 11 pieces of paper (front/back) in same order as entered on the form. Large receipts/invoices may be added to the stack as is.

Step 5 -Write your last name, tax-exempt number and page number on each page of receipts/invoices.

Step 6 -Enter receipts/invoices on GST Embassy Worksheet - follow the GST Filing Instructions.

Step 7 -Make a copy of your tax-exempt card (front/back). This must be included in your claim package.

Step 8 -Make a copy of entire package for your records receipt/invoices pages, tax-exempt card and GST worksheet.

Step 9 -Mail at post office -- ask for a receipt because you have just been charged GST and you will file this receipt next time.

Step 10 -You will receive a check in approximately eight weeks after refund claim has been mailed. Your receipts/invoices will follow in just a few days. They will be stamped with a red GST stamp.

Step 11 -Keep receipt/invoice pages and prepare to file PST refund claim, if needed.

PST (1% -12% depending on item purchased)

GETTING ORGANIZED -Filing a PST refund claim

Step 1 - Copy all receipts that have a PST charge.

Step 2 -For the receipts/invoices that do not list the PST separately, calculate manually the PST (1-12%) amount and write it on receipt/invoice.

Step 3 -Enter receipts/invoices on PST Embassy worksheet -follow the PST Filing Instructions.

Step 4 -Make a copy of your tax-exempt card (front/back) - this must be included or your PST claim will be refused.

Step 5 - Make a copy of entire package for your records receipt/invoice pages, tax-exempt card and PST worksheet.

Step 6 -Mail at post office -ask for a receipt because you have just been charged GST and you will file this receipt next time.

Step 7 - You will receive a check in the mail in approximately eight weeks after claim has been mailed. Your receipts/invoices will follow in just a few days. They will be stamped with a red PST stamp. At this point, you may throw out all receipts/invoices or keep them for your records.

Keep reading for more helpful hints for filing your GST/HST, PST and QST tax refund claims.

IMPORTANT NOTES FOR FILING GST/HST, PST AND QST

1. It is fine to file GST and PST claims simultaneously as you do not need the originals when filing for a PST refund.
2. If a family member uses their diplomatic ID card (tax-exempt card) to have the PST removed at point of purchase then that individual must file for the GST reimbursement for that receipt/invoice. It will be disallowed if filed by anyone else in the family. Therefore, families must keep receipts/invoices separate based on whom makes the purchases or not get point of purchase exemptions.
3. You may file a refund claim monthly or save up your receipts/invoices until you have hundreds of dollars. It is up to you. Remember you can only file one (1) GST/HST, PST or QST refund claim per family member per month. You have up to two (2) years to file your refund claims.
4. File a GST/HST, PST and QST refund claim for a receipt even if the amount is as little as 10¢.
5. Only original invoices may be submitted for GST refund. Credit or debit card receipts and Xerox copies of receipts are not considered valid receipts and will be rejected if submitted for a GST/HST, or QST refund claim. If a cash register receipt does not accompany a credit or debit card receipt, ask for a handwritten business receipt.
6. At many locations, you may be able to have the PST tax taken off your bill if you present your tax exempt card, by doing this you will not have to file these receipts/invoices for a PST refund claim. See examples below.

At restaurants, present your card to the wait staff before they bring the bill.

LCBO (Liquor Control Board of Ontario) and The Beer Store: present your card before the cashier begins ringing up the purchase. If you give them your tax-exempt card first the PST tax will be taken off the receipt and the GST will be listed on the receipt. If you do not present your tax-exempt card at LCBO or The Beer Store before the clerk rings up any purchases you will be charged GST and PST. You will not see the taxes listed on the receipt because they are included in the total. You will then have to file a PST refund claim in addition to the standard claim for GST. When filing a GST refund claim, subtract the PST (12%) amount from total bill and enter that total in table 1 of the GST 498 form (the form will calculate the GST amount). Write the amount for both GST (.05660) and PST (12%) on the receipt/invoice.

Costco Warehouse Club: present your tax-exempt card to the cashier at the same time you present your Costco card. You will be given a form by the cashier to sign while they are ringing up your purchases.

Wal-Mart, Home Depot, Sears, and other retail stores: present your card when paying for items.

Write a letter to the utility companies (gas, cable and telephone) and explain to them you are a diplomat and are tax-exempt and they should remove the PST tax from your account. Attach a copy of your tax exempt

card (front/back) with your letter. Hydro Ottawa (electric) does not charge PST. See sample PST tax exempt letter (Embassy Intranet site - Online Forms).

Many times, you may find it easier to file for a PST refund claim if the establishments are not familiar with tax-exempt procedures. By completing some of the examples above, your PST refund claims could be greatly reduced.

Some restaurants will take off both GST and PST taxes when you present your tax-exempt card. Don't argue with them, they have just saved you from filing GST/HST and PST tax refund claims.

7. If you receive a receipt/invoice that does not list the business name or date, write the information immediately on the receipt/invoice so you do not forget.

8. When submitting Imperial Oil (ESSO), Shell, Bell Canada, Bell Mobility, and other utility invoices include front page or page 1 in addition to the page that reflects the amount of GST paid. If you neglect to do this, your GST refund claim for that invoice could be denied.

9. Harmonized Sales Tax (HST): if you visit one of the following provinces: New Brunswick, Nova Scotia, Prince Edward Island or Newfoundland & Labrador keep your receipts/invoices so you can claim the 14% HST. HST combines 6% GST and 8% PST. Use the GST form and enter receipts/invoices on table one (receipts/invoices where HST is not shown separately) or table two (receipts/invoices where HST is shown separately).

10. To calculate the amount of GST on a receipt/invoice that does not include PST or one where PST has been removed), multiply the price by 6 and divide by 106. Example: price of product, including GST, is \$3.57; amount of GST is $\$3.57 \times 6 / 106 = \0.20 or multiply $\$3.57 \times .05660 = \0.20 .

11. To calculate the amount of HST on a receipt/invoice, multiply the price by 14 and divide by 114. Example: price of product, including HST, is \$3.45; amount of HST is $\$3.45 \times 14 / 114 = \0.42 .

12. To calculate the amount of PST on a receipt/invoice (that does not include GST or one where GST has been removed) use one of the following five Retail Sales Tax Rates tables:

10% on automobile repairs, parts only, \$50 or greater.

5% on transient accommodation (less than a month)
(5 / 105 x receipt total)

8% on most goods and taxable services
(8 / 108 x receipt total)

10% on alcoholic beverages sold through licensed establishments and on prices of admission over
\$4.00 to places of amusement (10 / 110 x receipt total)

12% on alcoholic beverages sold through retail stores or taken from inventory for own use or provided free of charge.
(12 / 112 x receipt total)

Example: price of product, \$4.00 (minus GST); amount of PST is $8 / 108 \times \$4.00 = \0.30 .

13. To calculate the amount of PST on a receipt/invoice that includes GST, use the following equation: $8 / 114 \times$ total amount of receipt/invoice (8 = PST 8% and 114 = PST 8% + GST 6%). The ratio numbers 8 and 114 can change depending on the type of purchases you make and the tax that is charged. If you make a liquor purchase that contains both GST and PST taxes then the equation would look like this: $12 / 118 \times$ receipt total (118 = GST 6% and PST 12%), but if the PST is 10% then the equation will look like this $10 / 116 \times$ total amount of receipt/invoice. Once you have completed this equation then subtract the PST amount from the receipt total write it on the receipt for future use and enter that total (that includes GST) in Table 1 to claim your GST.

14. Do not worry if you calculate the wrong GST/HST, PST or QST amount on a worksheet. The person at the tax centre auditing your worksheet will correct it and let you know.

15. If one of your GST/HST, PST or QST receipts/invoices is rejected for one reason or another, follow instructions from the tax centre and re-submit separately with a letter of explanation.

16. If there is not an invoice or receipt number, leave that area blank on the GST/HST, PST and QST forms.

GST/HST does not apply to....

Basic groceries most foods to be prepared and consumed at home, including:

- Fresh fruits and vegetable
- Milk, eggs, dairy products (not including those sold as single servings, other than plain milk)
- Sugar, flour, and baking supplies
- Canned, frozen, and packaged food
- Tea and coffee
- Condiments such as jams, jellies, pickles, and ketchup
- Meat, fish, and poultry
- Breads and cereals
- Fruit juices (except for single serving containers)
- Non-carbonated natural spring water
- Cakes and pies (full-size)
- Spices and herbs
- Sweetened baked goods such as doughnuts and muffins (when sold in quantities of six or more)
- Prescribed drugs
- Medical devices
- Financial services
- Long-term residential rentals (of one month or more)
- Agricultural products and most fishery products (fish for human consumption)
- Exports

For more information regarding GST or HST taxes see: www.ccra-adrc.gc.ca

PST applies to....

- Prepared foods Accommodations
- Alcoholic beverages Admissions to view indoor/outdoor performances
- Food products Snack foods, beverages and candies
- Rentals Recreational facilities
- Animals and pets Florists and nurseries
- Flea markets, craft and trade shows Publications
- Children's clothing and footwear Photographers
- Flooring materials Discount coupons
- Motor vehicle dealers Tax for fuel conservation
- Compressed gas cylinders Satellite dish dealers
- Portable buildings for non-residential use Delivery charges
- Labor charges

Tax included pricing

The Retail Sales Tax (also known as PST) Act allows the Minister to grant authorization to use tax-included pricing in certain cases. Under this Act, vendors who operate parking meters or other devices requiring exact change for the use of a commercial parking space may use tax-included pricing. Vendors who choose to use the tax-included pricing method must post a notice in a clearly visible place stating that the parking charge includes retail sales tax (RST/PST). If the sign is not posted or if tax-included pricing is not used, the 8% RST/PST charged by vendors must be shown separately on cash register tapes, invoices or other receipts issued for parking charges. Prepared foods and admission charges are tax-exempt when the total charge is \$4.00 or less per transaction, excluding GST.

For more information regarding PST taxes see: www.trd.fin.aov.on.ca

-select forms/publications

-Frequently Requested

-Retail Sales Tax - General Application for Refund of Retail Sales Tax

-PDF Version of General Application for Refund of RST (note RST is same as PST)

NOTE: Disregard instruction indicating invoice must be over \$50. This rule does not apply to diplomats.

IMPORTANT NOTES FOR FILING GST/HST AND QST FOR THE PROVINCE OF QUEBEC

If you live in a province (ON, AS, Se, MN, or NS) other than Quebec, use the following notes as a guideline for filing GST/HST and QST.

If you live in a province of Quebec file GST/HST using FP-189-V and QST using LM-120-V, they may be submitted together.

1. When submitting GST/HST and QST rebate claims to Quebec you may follow many of the helpful hints listed above for GST/HST and PST.
2. Put receipts in chronological order. Failing to do this could result in your entire claim being returned to you for resubmission.
3. Use form GST498 to file your GST/HST claim and form LM-120-V to file QST claim. Both forms are available on the embassy intranet site.
4. Submit GST/HST first, since it has historically been a shorter process. Once you receive the stamped GST/HST receipts/invoices back, you may submit your QST refund claim.
5. File separate claims for each family member.
6. Only original invoices may be submitted for refund. Credit or debit card receipts and Xerox copies of receipts are not considered valid receipts and will be rejected if submitted for a QST refund claim. If a cash register receipt does not accompany a credit or debit card receipt, ask for a handwritten business receipt.
7. Additional information regarding Quebec taxes may be found at <http://www.gouv.qc.ca/>